



State Developmental Disabilities Councils

Federal Financial Report SF-425 and Match



Federal Financial Reporting Requirements

- Jimese Price, Financial Management Specialist
- David Colangeli, Financial Management Specialist

Office of Grants Management



Federal Financial Reporting Requirements

- Purpose of Federal Financial Reporting (SF-425)
- Federal Financial Report Submission Procedures
- How to complete the Federal Financial Report

Purpose of the SF-425

- 45 CFR 75.302 requires each non-Federal entity maintain a financial management system.
- The SF-425 provides grant recipients a standard format for reporting the financial status of their awards.
- ACL Awardees are required by the Terms and Conditions located on the Notice of Award (NoA) to submit a SF-425.

SF-425 Submission Procedures for ACL

- SF-425s should be submitted to the AIDD mailbox aidd.grants@acl.hhs.gov by December 30th of each year.
- Each year, 3 separate reports are to be submitted.
 - Ex. Reports due by December 30, 2017 are annual reports for FY15 grant, FY16 grant and FY17 grant.

Items Needed to Complete a SF-425

- OMB approved SF-425 with expiration date may be found at <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html#sortby=1>
- Notice of Award (NoA)
- Non-Federal entity's Financial Management System

Notice of Award (NoA)



DEPARTMENT OF HEALTH & HUMAN SERVICES

Administration for Community Living
Washington, D.C. 20541

Notice of Award

Developmental Disabilities Act Subtitle B – Federal Assistance to State Developmental Disabilities Councils

Grantee:

XXXXX
XXXXX
XXXXX
XXXXX
XXXXX

Date:

October 19, 2017

Grant No.: 1801xxBSDD Seq. No.: 2018 / 1

Award Instrument: Grant (Formula)

Project Period: 10/01/2017 - 09/30/2019

Award Authority: P.L. 106-402 (DD Act)

EIN: 1-XXXXXXXXXX-A1

DUNS: XXXXXXXX

CFDA Program Title	Award This Action	Cumulative Grant Award to Date	Appropriation	Object Class Code
93.630 State DD Councils	\$x	\$xx	75-8-0142	41.15
Total	\$x	\$xx		

- The DDC Federal Financial Report (SF-425) is due annually. The report is due within 90 days for each 12-month period ending September 30, due by December 30 for Federal Fiscal Years (FY) 2018 and 2019. Each report must be completed on a cumulative basis building on prior year obligations and cash management. A final report is due within 90 days for the period ending September 30, 2020, which is due by December 30, 2020. This period is known as the 90 day closeout period and only activities associated with closeout should be conducted during this time. The final report accounts for all obligations and liquidations made under this grant number. (Note: Grantee has two years to obligate the funds and one year to liquidate those obligations.) The ADD-02B report has been discontinued at this time and certain financial elements will be incorporated into the DDC program performance report (PPR). Download the forms from <https://www.acl.gov/sites/default/files/grants/SF425%20Federal%20Financial%20Report.pdf>. Complete all lines, as appropriate, including lines 10, a through c. The SF-425 reports can be submitted as an attachment to email submitted to the AIDD.Grants@acl.hhs.gov mailbox, with the following in the subject line: "[your state]/[your grant number], [FY2018 or 2019 or Final] SF-425 report".
- The DDC program performance report (PPR) will be submitted through the ACL Reporting System located at <https://reporting-pilot.acl.gov>. Further details regarding report submission due dates and instructions will be provided via e-mail from the Programmatic Contact listed below or subsequent Notice of Award.
- The Federal share of the cost of all projects in a State supported by an allotment to the State under Subtitle B may not be more than 75 percent of the aggregate necessary cost of such projects, as determined by the Secretary. The remaining 25% of the aggregate necessary cost of such projects represents the non-Federal share. In the case of projects whose activities or products target individuals with developmental disabilities who live in urban or rural poverty areas, as determined by the Secretary, the Federal share of the cost of all such projects may not be more than 90 percent of the aggregate necessary cost of such projects, as determined by the Secretary. In the case of projects undertaken by the Council or Council staff to implement State plan activities, the Federal share of the cost of all such projects may be not more than 100 percent of the aggregate necessary cost of such activities.

Completing SF-425

- ❖ **Box 1 Federal Agency**-Enter the name of the Federal agency and organizational element identified in the award document or as instructed by the agency.
- ❖ **Box 2 Grant Identifying Number**-Enter the grant number assigned to the award by the Federal agency.
- ❖ **Box 3 Recipient Name**-Enter the name and complete address of the recipient organization including zip code.
- ❖ **Box 4a DUNS**-Enter the recipient organization's Data Universal Numbering System (DUNS).
- ❖ **Box 4b EIN**-Enter the recipient organization's Employer Identification Number (EIN).
- ❖ **Box 5 Recipient Identifying Number**-Enter the account number or any other identifying number assigned by the recipient to the award.

View Burden Statement		Federal Financial Report (Follow form Instructions)		OMB Number: 4040-0014 Expiration Date: 01/31/2019
1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		
<input type="text"/>		<input type="text"/>		
3. Recipient Organization (Name and complete address including Zip code)				
Recipient Organization Name: <input type="text"/>				
Street1: <input type="text"/>				
Street2: <input type="text"/>				
City: <input type="text"/>		County: <input type="text"/>		
State: <input type="text"/>		Province: <input type="text"/>		
Country: <input type="text" value="USA: UNITED STATES"/>		ZIP / Postal Code: <input type="text"/>		
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)		
<input type="text"/>	<input type="text"/>	<input type="text"/>		

Completing SF-425 (cont'd)

- ❖ **Box 6 Report Type**- Mark the type of report you being submitting.
- ❖ **Box 7 Basis of Accounting**- Mark basis of accounting, cash or accrual. Accrual basis of accounting refers to the accounting method in which expenses are recorded when incurred. However, **cash basis** of accounting, records expenses when they are paid.
- ❖ **Box 8 Period/Grant Period**- This is the grant period of performance (project period.)
- ❖ **Box 9 Reporting Period End Date**- This is the reporting period end date. **3/31, 6/30, 9/30, or 12/31**

6. Report Type	7. Basis of Accounting	8. Project/Grant Period		9. Reporting Period End Date
<input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	<input type="checkbox"/> Cash <input type="checkbox"/> Accrual	From:	To:	

Completing SF-425 (cont'd)

- ❖ **Box 10a Cash Recipients**-Enter the cumulative amount of actual cash received (drawn-down) from the Federal agency as of the reporting period end date.
- ❖ **Box 10b Cash Disbursements**-Enter the cumulative amount of Federal funds disbursed and /or expenditures as of the reporting period end date.
- ❖ **Box 10c Cash on Hand**-Line 10a. minus Line 10b.

10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash (To report multiple grants, also use FFR attachment):	
a. Cash Receipts	0.00
b. Cash Disbursements	0.00
c. Cash on Hand (line a minus b)	0.00
<i>(Use lines d-o for single grant reporting)</i>	

Completing SF-425 (cont'd)

- ❖ **Box 10d Total Federal Funds Authorized-** Enter the total Federal funds authorized as of the reporting period end date (Found on Notice of Award.)
- ❖ **Box 10e Federal Share Expenditures-** Enter the amount of Federal fund expenditures.
- ❖ **Box 10f Federal Share of Unobligated Obligations-** Unliquidated obligations on a cash basis are obligations incurred, but not yet paid.
- ❖ **Box 10g Total Federal Share** -Enter the sum of Lines 10e and 10f.
- ❖ **Box 10h Unobligated Balance of Federal Funds-** Enter the amount of Line 10d minus Line 10g.

Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	0.00
e. Federal share of expenditures	0.00
f. Federal share of unliquidated obligations	0.00
g. Total Federal share (sum of lines e and f)	0.00
h. Unobligated balance of Federal Funds (line d minus g)	0.00

Recipient Share and Match

- What does it mean to “match” funds?
 - “Match” is the non-federal share of costs that the grantee or the grantee’s partners are required to contribute to accomplish the purposes of the grant.
- Matching funds include:
 - Non-federal public or private funds
 - Funds that are not used as match for any other federal program
 - Unrecovered indirect costs
 - Either cash or in-kind, fairly evaluated

Recipient Share and Matching (cont'd)

- Match that is statutorily required or voluntarily proposed must be reported on the SF-425 in boxes 10i through 10k.

Developmental Disabilities Assistance and Bill of Rights Act of 2000, Title I, Subtitle B, Sec. 126

(a)(1) The Federal share of the cost of all projects in a State supported by an allotment to the State under this subtitle may not be more than 75 percent of the aggregate necessary cost of such projects, as determined by the Secretary

(a)(2) In the case of projects whose activities or products target individuals with developmental disabilities who live in urban or rural poverty areas, as determined by the Secretary, the Federal share of the cost of all such projects may not be more than 90 percent of the aggregate necessary cost of such projects, as determined by the Secretary.

Completing SF-425 (cont'd)

- ❖ **Box 10i Total Recipient Share-** The required recipient share should include all matching and cost sharing provided by recipients and third-party providers to meet the level required by the Federal agency.
- ❖ **Box 10j Recipient Share of Expenditures-** Enter the recipient share of actual cash disbursements or outlays.
- ❖ **Box 10k Remaining Recipient Share to be Provided-** Enter the amount of Line 10i minus Line 10j.

Recipient Share:	
i. Total recipient share required	0.00
j. Recipient share of expenditures	0.00
k. Remaining recipient share to be provided (line i minus j)	0.00

Recipient Share and Matching (cont'd)

- Internal documentation is needed to ensure match requirements are met.
- Box 10i Total Recipient Share Required must reflect the total project costs that require match of 25% or 10% of total project cost.
- As Box 10i and 10j will reflect cumulative amounts, ACL recommends for non-Federal entities to use box 12 Remarks to upload an attachment to further breakdown the total recipient share and recipient share of expenditures by projects requiring 25% match and those requiring 10% match.

Program Income

- Program income is gross income earned by a recipient, sub-recipient, or a contractor under a grant directly generated by the grant-supported activity or earned as a result of the award.
- Program income includes, but is not limited to, income from fees for services performed; charges for the use or rental of real property, equipment, or supplies acquired under the grant; the sale of commodities or items fabricated under an award; charges for research resources; and license fees and royalties on patents and copyrights.
- Program income must be used for current costs unless ACL authorizes otherwise.
- Program income is reported in boxes 10l through 10o of the SF-425.

Methodology of Program Income

- Methodology used to determine if program income is additive or deductive can be found in box 15 of NoA and mandatory award methodology may be defined within statutory authority
- **Additive Method**-With prior approval from ACL, program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes and under the conditions of the Federal award.
- **Deductive Method**-Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.
- The default method is deductive if the methodology can not be found in the statute.
- There are no Federal requirements governing the disposition of income earned after the end of the period of performance for the Federal award, unless the terms and conditions of the award provide otherwise. ACL may negotiate agreements with recipients regarding appropriate uses of income earned after the period of performance as part of the grant closeout process.

Completing SF-425 (cont'd)

- ❖ **Box 10l Total Federal Program Income Earned**-Enter the amount of Federal program income earned.
- ❖ **Box 10m Program Income Expended in Accordance with Deduction Alternative**-Enter the amount of program income that was used to reduce the Federal share of the total project costs.
- ❖ **Box 10n Program Income Expended in Accordance With the Addition Alternative**-Enter the amount of program income that was added to funds committed to the total project costs and expended to further eligible project or program activities.
- ❖ **Box 10o Unexpended Program Income**- Enter the amount of Line 10l minus Line 10m or Line 10n.

Program Income:	
l. Total Federal program income earned	0.00
m. Program Income expended in accordance with the deduction alternative	0.00
n. Program Income expended in accordance with the addition alternative	0.00
o. Unexpended program income (line l minus line m or line n)	0.00

Indirect Expense

- 45 CFR 75.2 defines “Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective...”
- Indirect Expenses should be reported in boxes 11a through 11g of the SF-425.

Indirect Expenses (cont'd)

Developmental Disabilities Assistance and Bill of Rights Act of 2000, Title I, Subtitle B, Sec. 124(c)(5)(B):

(vi) at the request of any State, a portion of such State under this subtitle for any fiscal year shall be available to **pay up to ½ (or the entire amount if the Council is the designated State agency)** of the expenditures found to be necessary by the Secretary for the proper and efficient exercise of functions of the designated State agency, except that **no more than 5 percent of such funds provided to such State for any fiscal year, or \$50,000, whichever is less,** shall be made available for total expenditures for such purposes...

(vii) **not more than 20 percent of such funds** will be allocated to the designated State agency for service demonstrations by such agency that-

- (I) contribute to the achievement of the purposes of this subtitle; and
- (II) are explicitly authorized by the Council.

Completing SF-425 (cont'd)

- ❖ **Box 11a Type**- State whether indirect cost rate(s) is Provisional, Predetermined, Final, or Fixed.
- ❖ **Box 11b Rate**-Enter the indirect cost rate(s) in effect during the reporting period.
- ❖ **Box 11c Period from and from**-Enter the beginning and ending effective dates for the rate(s).
- ❖ **Box 11d Base**-Enter the amount of the base against which the rate(s) was applied.
- ❖ **Box 11e Amount Charged**-Enter the amount of indirect costs charged during the time period specified. (Multiply 11b. x 11d.)
- ❖ **Box 11f Federal Share**-Enter the Federal share of the amount in 11e.
- ❖ **Box 11g Totals**-Enter the totals for columns 11d, 11e, and 11f.

11. Indirect Expense						
a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
g. Totals:						

Completing SF-425 (cont'd)


- ❖ **Box 12 Remarks-** Please note any revisions or changes in this section of the SF-425
- ❖ **Box 13a through 13e Certification and Contact Information-** Recipient certifies the information within the SF-425 is true, complete, and accurate to the best of my knowledge. **(U.S. Code, Title 18, section 1001)**
- ❖ **Box 14 Agency use only**

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 18, section 1001)		
a. Name and Title of Authorized Certifying Official		
Prefix: <input type="text"/>	First Name: <input type="text"/>	Middle Name: <input type="text"/>
Last Name: <input type="text"/>	Suffix: <input type="text"/>	
Title: <input type="text"/>		
b. Signature of Authorized Certifying Official		c. Telephone (Area code, number and extension)
<input type="text"/>		<input type="text"/>
d. Email Address	e. Date Report Submitted	14. Agency use only:
<input type="text"/>	<input type="text"/>	

Reconciling SF-425 with PMS

- When completing an SF-425, recipients must reconcile the amount in box 10g with the reported amount on the quarterly Federal Cash Transaction report filed with PMS.

Federal Financial Report Attachment

Screen Help 

[Return To Menu](#)

Continue Report Single Grant Save Remove Inactive Cancel

Under Construction ...

1. Federal Agency and Organization Element to Which Report is Submitted (Box 1 on Page 1)		2. Recipient Organization (Box 3 on Page 1)	
3a. DUNS Number		4. Reporting Period End Date (month/day/year)	
		03/31/2017	
3b. EIN			

Page 2 of 2

5. List information below for each grant covered by this report. Use additional pages if more space required. Inactive grants are denoted with an asterisk "*" and highlighted in Blue.

Set One	Grant Num	Rec Acct Num	Authorized	Prior Cum. Disb. Am	Cum Federal Cash Disb
<input type="radio"/> *	901LXXXX		64,906.00	43,215.00	64,906.00

Reconciling SF-425with PMS (cont'd)

10. Transactions	Cumulative
<i>(Use lines a-c for single or multiple grant reporting)</i>	
Federal Cash (To report multiple grants, also use FFR Attachment):	
a. Cash Receipts	64,906.00
b. Cash Disbursements	64,906.00
c. Cash on Hand (line a minus b)	0.00
<i>(Use lines d-o for single grant reporting)</i>	
Federal Expenditures and Unobligated Balance:	
d. Total Federal funds authorized	64,906.00
e. Federal share of expenditures	64,906.00
f. Federal share of unliquidated obligations	0.00
g. Total Federal share (sum of lines e and f)	64,906.00
h. Unobligated balance of Federal funds (line d minus g)	0.00
Recipient Share:	

Obligation and Liquidation

45 CFR Chapter XIII, subchapter I:

1386.2(a) Funds which the Federal Government allots under this part during a Federal fiscal year are available for obligation by States for a **two-year period beginning** with the first day of the Federal fiscal year in which the grant is awarded.

1386.3(a) All obligations incurred pursuant to a grant made under the Act for a specific Federal fiscal year, **must be liquidated within two years** of the close of the Federal fiscal year in which the grant was awarded.



Liquidation Waiver

45 CFR Chapter XIII, subchapter I:

1386.3(b) The Secretary, or his or her designee, may waive the requirements of paragraph (a) of this section when State law impedes implementation or the amount of obligated funds to be liquidated is in dispute.

Please submit waiver requests to your AIDD Project Officer.





AoD Contacts

- **Melissa Ortiz**
 - Commissioner, Administration on Disabilities (AOD)
 - Phone: 202-795-7309
 - Email: Melissa.Ortiz@acl.hhs.gov
- **Bob Williams**
 - Deputy Commissioner, Administration on Disabilities (AoD) and Director, Independent Living Administration
 - Phone: 202-798-7788
 - Email: Bob.Williams@acl.hhs.gov
- **Jennifer Johnson**
 - Deputy Director, AIDD
 - Phone: 202-795-7371
 - E-mail: jennifer.johnson@acl.hhs.gov



AoD Contacts

- Ophelia McLain
 - Director, Office of Program Support, AIDD
 - Phone: 202-795-7401
 - Email: ophelia.mclain@acl.hhs.gov
- Sara Newell-Perez
 - Program Specialist, Office of Program Support, AIDD
 - Phone: 202-795-7413
 - E-mail: sara.newell-perez@acl.hhs.gov



Office of Grants Management Contact

- **Tanielle Chandler, Director:**
 - Phone: 202-795-7325
 - E-mail: tanielle.chandler@acl.hhs.gov
- Jimese Price, Financial Management Specialist
 - Phone: 202-795-7464
 - E-mail: jimese.price.@acl.hhs.gov
- David Colangeli, Financial Management Specialist
 - Phone: 202-795-7387
 - E-mail: david.colangeli@acl.hhs.gov
- Yi-Hsin Yan, Management and Program Analyst:
 - Phone: 202-795-7474
 - E-mail: yi-hsin.yan@acl.hhs.gov
- William Kim, Senior Grants Management Specialist
 - Phone: 202-795-7381
 - Email: william.kim@acl.hhs.gov